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## INCOMING TELEGRAM

## Department of State

57 Action NEA CONFIDENTIAL

Classification

Control: 11296

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FROM: London

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TO: Secretary of State

NO: 3325, February 17, 6 P.M.

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NSA SENT DEPARTMENT 3325, REPEATED INFORMATION BAGHDAD 41, OSD TEHRAN 43, BASRA 3, KHORRAMSHAHR 2.

ARMY

NAVY Reference Baghdad 729 to Department.

AIR

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Foreign Office disturbed by potentially serious situation arising in Shatt-Al Arab as result implementation order requiring Iranian harbor masters and pilots for berthing at Abadan. As of February 17, two ships in harbor and seven in stream immobilized by order. Oil company sources report refinery beginning shut-down because of lack of storage facilities. British ship which left Abadan early February 17 without Iranian pilot blacklisted by Iranians and Iraqis in turn threaten blacklist any ship employing Iranian harbor masters and pilots, prevent movement and take severe measures against agents.

Preliminary UK instructions to Embassies Baghdad and Tehran state difficult for HMG to mediate and suggest leaving to oil companies to reflect pressures from both sides. Embassies may urge moderation if they have opportunity and can do so without offending or becoming involved in dispute.

Iranian oil participants general manager to speak to Iranian Government pointing out effect of Iraqi instructions will be to make oil movements cease at Abadan.

Foreign Office of opinion only economic factors will impress Iranians.

BARBOUR

LSA

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